

Summary of Ripley County 2016 Annual Adjustment Methodology

Method

The sales comparison method using local market data was used to adjust the assessments in Ripley County for 2016. The annually adjusted values used in the 2016 ratio study were developed based on updated Local Cost Multipliers, updated application of physical depreciation and any changes in parcel characteristics discovered during the 2018 Cyclical Reassessment Phase II review and new construction field activities. The sales used for the 2016 annual adjustments were from January 1, 2014 to December 31, 2015.

The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Ripley County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been developed or applied to any property class.

The additional tab "Sales Reconciliation" provides an explanation of all sales identified in the "*RIPLEY Sales Reconciliation 02-29-2016.xlsx*."

Industrial Improved Properties:

The sales horizon was expanded to include sales from January 1, 2013 to December 31, 2015. There were no valid industrial sales during this period.

Commercial Properties:

There were 7 valid improved commercial sales countywide. Due to the low number of total sales, the Spearman Rank test was performed which showed no evidence of vertical inequity. *See Summary Tab.*

Commercial and Industrial Land:

The sales horizon was expanded to include sales from January 1, 2013 to December 31, 2015. There were no valid commercial or industrial land sales during this period.

Residential Properties:

VACANT: With only 3 valid vacant residential sales, there were an insufficient number of sales to allow for a credible analysis. The appraisals presented during the time period of this study, for improved residential properties, failed to develop value using the cost approach which would have provided a separate indication of land for comparison. As a result, no changes or adjustments were made.

IMPROVED: Due to the limited number of valid sales in some townships for this property class, it was necessary to group similar townships other than Adams, Johnson and Laughery in order to enhance the statistical reliability of the study.